

**APPLICATION**  
**UTILIZATION REVIEW AND/OR MEDICAL BILL AUDIT**  
**803 KAR 25:190**

**INSTRUCTIONS FOR COMPLETING APPLICATION**

Please submit your application in a three ring binder with consecutively numbered pages. Reference each specific section of your submission to the appropriate section of the governing regulation, 803 KAR 25:190, Utilization Review, and Medical Bill Audit. Clearly identify Medical Bill Audit documentation.

Please **do not** submit Utilization Review Accreditation Commission (URAC) certification information. The Kentucky Department of Workers' Claims statutes are state specific and URAC accreditation does not apply to this application or your request for Utilization Review and Medical Bill Audit certification through the Department of Workers' Claims.

Return application and all required documentation to:  
**Department of Workers' Claims**  
**Attention: Carole Jacobs**  
**657 Chamberlin Avenue**  
**Frankfort, KY 40601**

**KENTUCKY  
DEPARTMENT OF WORKERS' CLAIMS  
UTILIZATION REVIEW AND/OR MEDICAL BILL AUDIT CERTIFICATION  
803 KAR 25:190**

**APPLICATION**

**I. IDENTIFICATION**

Name of Applicant \_\_\_\_\_ FEIN \_\_\_\_\_

Address \_\_\_\_\_  
\_\_\_\_\_ Phone \_\_\_\_\_

(Check Only One)

( ) Insurance Carrier ( ) Self Insured Employer ( ) TPA ( ) Group Self Insurance Fund ( ) Vendor

**II. If applicant is contracting with a Utilization Review vendor, identify the vendor:  
("Vendor" means a person or entity which implements a Utilization Review and/or Medical Bill Audit program for purposes of offering those services to insurance carriers)**

Name \_\_\_\_\_ DWC Certification Number \_\_\_\_\_

Address \_\_\_\_\_ Date of Contract \_\_\_\_\_

\_\_\_\_\_ Phone \_\_\_\_\_

**III. If applicant has contracted with a Managed Care Organization certified by the Department of Workers' Claims, identify the Managed Care Organization:**

Name \_\_\_\_\_ MCO Plan Number \_\_\_\_\_

Address \_\_\_\_\_ Date of Contract \_\_\_\_\_

\_\_\_\_\_ Phone \_\_\_\_\_

**IV. Identify the person responsible for the operations of the Utilization Review and/or Medical Bill Audit Program:**

Name \_\_\_\_\_ Title \_\_\_\_\_

Address \_\_\_\_\_ Phone \_\_\_\_\_

**If you have contracted with a Utilization Review/Medical Bill Audit vendor certified by the Department of Workers' Claims, stop here. If not, you must complete the remainder of the application.**

V. For **Utilization Review and/or Medical Bill Audit certification** submit in the order set below a detailed description of:

1. The process, policies, and procedures whereby decisions are made.
2. The specific criteria utilized in the decision making process, including a description of the specific medical guidelines used as the resource to confirm the medical diagnosis and to provide consistent criteria and practice standards.
3. The criteria by which claims, medical services, and medical bills are selected for review.
4. The qualifications of internal and consulting personnel who will conduct the utilization review and medical bill audit must demonstrate education, training, and experience pertinent to utilization review and medical bill audit.
5. A process to assure that treatment plans are obtained for review by qualified medical personnel in all instances where treatment plans are required under 803 KAR 25:096.
6. The process to assure that a physician will be designated by each injured employee as required under 803 KAR 25:096.
7. The process for rendering and promptly notifying the medical provider and employee of the initial utilization review decision.
8. A description of the reconsideration process within the structure of the utilization review program and medical bill audit program.
9. An assurance that a database is maintained for a period of no less than two (2) years, be subject to audit and shall record 1. Each instance of utilization review. 2. Each instance of medical bill audit. 3. The name of the reviewer. 4. The extent of the review. 5. The conclusions of the reviewer. 6. The action, if any, taken as the result of the review.
10. An assurance that a toll free number will be provided for the employee and/or medical provider to contact the utilization reviewer. The reviewer or representative will be reasonably accessible to interested parties at least five (5) days per week, forty (40) hours per week during normal business hours by a toll free telephone line.
11. A description of the policies and procedures that will protect confidentiality of patient information.
12. An assurance that the acute low back pain practice parameter adopted by the Commissioner is incorporated in the plan, pursuant to KRS 342.035.
13. An assurance that during the term of an approved plan, the commissioner shall be notified as soon as practicable, of a material change in the approved plan or a change in the selection of a vendor.
14. Assurance that the Utilization Review Plan and appropriate letters will contain the name, state of licensure, and medical license number of the reviewer.
15. Copy of Curriculum Vitae for the Medical Director.
16. Include a list of contracted services for UR/MBA services.
17. A statement or payment for medical goods and services and charges for a deposition, report, or photocopy that complies with KRS Chapter 342 and applicable administrative regulations is required for Medical Bill Audit plans. All letters and EOB/EOR must be submitted on letterhead.

**? Include copies of brochures and forms used in the Utilization Review and/or Medical Bill Audit program.**

I hereby certify that the information and material contained in this application is true and accurate to the best of my knowledge. I understand that the Department of Workers' Claims will rely on this information and material in making its decision regarding approval of this Utilization Review/Medical Bill Audit program. Any distorted facts or misrepresentation may disqualify the applicant from certification or result in revocation of the certification at any time.

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Name of authorized representative or applicant (Please Print)

Title

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Signature of authorized representative or applicant

Date

## Utilization Review

1. The process, policies, and procedures whereby decisions shall be made.

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2. The specific criteria utilized in the decision making process, including a description of the specific medical guidelines used as the resource to confirm the medical diagnosis and to provide consistent criteria and practice standards.

EXHIBIT \_\_\_\_\_ PAGE \_\_\_\_\_

3. The criteria by which claims and medical services and medical bills are selected for review.

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4. The qualifications of internal and consulting personnel who will conduct the utilization review which includes their education, training, and experience pertinent to performing utilization review and medical bill audit.

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5. A process to assure that treatment plans are obtained for review by qualified medical personnel in all instances where treatment plans are required under 803 KAR 25:096.

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6. The process to assure that a physician shall be designated by each injured employee as required under 803 KAR 25:096.

EXHIBIT \_\_\_\_\_ PAGE \_\_\_\_\_

7. The process for rendering and promptly notifying the medical provider and employee of the initial utilization review decision.

EXHIBIT \_\_\_\_\_ PAGE \_\_\_\_\_

- a.) Initial Utilization Review decision within 2 days of the initial request for treatment.
- b.) Retrospective Utilization Review decision within 10 days of the initial UR process.
- c.) Expedited Utilization Review decision within 24 hours following the UR request.

8. A description of the reconsideration process within the structure of the utilization review with all applicable time frames.

EXHIBIT \_\_\_\_\_ PAGE \_\_\_\_\_

- a.) Notification of a 14 day reconsideration period.
- b.) Ten day response period upon receipt of the reconsideration request.

9. An assurance that a database shall be maintained for a period of no less than (2) years and subject to audit. The data base shall record: (1) each instance of utilization review, (2) each instance of medical bill audit, (3) the name of the reviewer, (4) the extent of the review, (5) the conclusions of the reviewer, and (6) the action, if any, taken as the result of the review.

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10. An assurance that a **toll free number** shall be provided for the employee or medical provider to contact the utilization reviewer. The reviewer or a representative of the reviewer shall be reasonably accessible to interested parties at least five (5) days/week, forty (40) hours/week during normal business hours by a toll free telephone line.

EXHIBIT \_\_\_\_\_ PAGE \_\_\_\_\_

11. A description of the policies and procedures that will be implemented to protect the confidentiality of patent information.

EXHIBIT \_\_\_\_\_ PAGE \_\_\_\_\_

12. An assurance that the acute low back pain practice parameter adopted by the commissioner shall be incorporated in the plan pursuant to KRS 342.035 (8) (a).

EXHIBIT \_\_\_\_\_ PAGE \_\_\_\_\_

13. An assurance that during the term of an approved plan, the commissioner shall be notified as soon as practicable of a material change in the approved plan or a change in the selection of a vendor.

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14. Assurance that the Utilization Review Plan and appropriate letters will contain the name, state of licensure, and medical license number of the reviewer.

EXHIBIT \_\_\_\_\_ PAGE \_\_\_\_\_

15. Copy of Curriculum Vitae for the Medical Director.

EXHIBIT \_\_\_\_\_ PAGE \_\_\_\_\_

16. Include a list of contracted services for UR/MBA services.

EXHIBIT \_\_\_\_\_ PAGE \_\_\_\_\_

17. Attach a copy of all brochures and forms which will be used in the Utilization Review Program.

EXHIBIT \_\_\_\_\_ PAGE \_\_\_\_\_

## **MEDICAL BILL AUDIT/REVIEW**

(1) "Preauthorization" means a process whereby payment for a medical service or course of treatment is assured in advance by a carrier.

Exhibit \_\_\_\_\_ Page \_\_\_\_\_

(2) The medical bill audit program shall assure that:

(a) A statement or payment for medical goods and services and charges for a deposition, report, or photocopy complies with KRS Chapter 342 and applicable administrative regulations.

Exhibit \_\_\_\_\_ Page \_\_\_\_\_

(b) A medical bill auditor/reviewer is appropriately qualified.

Exhibit \_\_\_\_\_ Page \_\_\_\_\_

(c) A statement for medical services is not disputed without reasonable grounds.

Exhibit \_\_\_\_\_ Page \_\_\_\_\_

(3) A carrier who contracts with an approved vendor for utilization review or medical bill audit services shall notify the commissioner of the contractual arrangement. The contractual arrangement may provide for separate utilization review and medical bill audit vendors.

Exhibit \_\_\_\_\_ Page \_\_\_\_\_

(4) An assurance that a database shall be maintained, which shall:

(a) Record:

1. Each instance of utilization review;

2. Each instance of medical bill audit;

3. The name of the reviewer;

4. The extent of the review;

5. The conclusions of the reviewer; and

6. The action, if any, taken as the result of the review;

(b) Be maintained for a period of at least two (2) years; and

(c) Be subject to audit by the executive director, or his agent, pursuant to KRS 342.035(5)(b);

Exhibit \_\_\_\_\_ Page \_\_\_\_\_

(5) Each medical bill audit shall be initiated within seven (7) days of receipt (a)

Exhibit \_\_\_\_\_ Page \_\_\_\_\_

(6) A medical bill audit shall not toll the thirty (30) day period for challenging or paying medical expenses pursuant to KRS 342.020(1).

Exhibit \_\_\_\_\_ Page \_\_\_\_\_

(7) Personnel conducting a medical bill audit shall have the education, training, or experience necessary for evaluating medical bills and statements.

Exhibit \_\_\_\_\_ Page \_\_\_\_\_

(8) Payment for medical services shall not be denied on the basis of lack of information absent documentation of a good faith effort to obtain the necessary information.

Exhibit \_\_\_\_\_ Page \_\_\_\_\_

(a) A request for reconsideration of the medical bill audit decision shall be made by an aggrieved party within fourteen (14) days of receipt of that decision.

Exhibit \_\_\_\_\_ Page \_\_\_\_\_

(c) A written decision shall be rendered within ten (10) days of receipt of a request for reconsideration. The written decision shall be clearly entitled "MEDICAL BILL AUDIT-RECONSIDERATION DECISION".

Exhibit \_\_\_\_\_ Page \_\_\_\_\_

(d) A request for reconsideration of the medical bill audit decision shall not toll the thirty (30) day period for challenging or paying medical expenses.

Exhibit \_\_\_\_\_ Page \_\_\_\_\_

All letters and EOB/EOR must be on letterhead with the appropriate time frames for reconsideration.

Exhibit \_\_\_\_\_ Page \_\_\_\_\_